Investment scenario in Kerala

3124. SHRI A. VIJAYA RAGHAVAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware of the news item which appeared in "The Hindu" dated the 20th February, 2002 on investment climate poor in Kerala, CII Study;

(b) if so, whether political consensus, support from bureaucrats and synergy between Government and industrialists alone will transform Kerala into an investor-friendly State;

(c) whether the above report concede that lack of uninterrupted and quality power supply and the probability of corruption due to the more frequent visit of the Government officials are reasons for the poor investment climate of Kerala; and

(d) if so, whether any measures will be initiated so as to overcome above difficulties?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH): (a) Yes, Sir.

(b) to (d) The Study jointly conducted by the World Bank and Confederation of Indian Industry (CII) on "Competitiveness of Indian Manufactruing—Results from a Firm Level Survey" has identified poor infrastructure, excessive management time being spent with Government officials on regulatory issues, inadequate port facilities, relatively high delays in custom houses, excessively high power cost, etc., as the main reasons for poor investment climate. The Study also concludes that best and good investment climate States have fewer visits by Government officials than medium and poor investment climate States.

Industrial development including creating good investment climate in the States is primarily the responsibility of the respective State Governments. The Government of India complements the efforts of State Governments through its schemes.